

TOWN COUNCIL TOWN OF THATCHER

PO BOX 670 - 3700 W. MAIN STREET - (928)428-2290 - FAX (928)428-7061 - TDD (800)367-8938

TOWN COUNCIL

*Robert Rivera, Mayor
Douglas Hoopes, Vice Mayor
David Matthews
Donald Innes*

*William Mulleneaux
Charles Morris
Kenneth Larson*

Terry Hinton, Town Manager/Clerk

October 27, 2004

FAX ((602) 352-2520) and MAIL

J. Tyler Carlson
Regional Manager
Western Area Power Administration
Desert Southwest Region
P. O. Box 6457
Phoenix, AZ 85005-6457

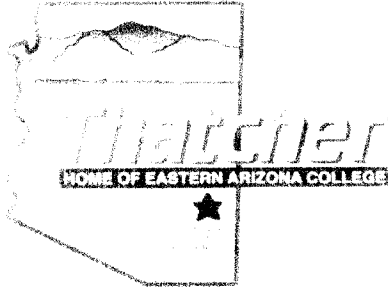
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Dear Mr. Carlson:

I have two brief comments concerning the Parker-Davis Contract extensions.

First, I still don't understand why Western feels that Section 12.1 is needed to administer contracts. I am not aware of any situation where Western was not able to manage the contracts under the present system. I am reminded of the old adage "If it ain't broke don't fix it". I would like to see why you feel this extra authority is needed. Also, I have reviewed Mr. Bob Lynch's legal analysis and it would seem that Western may not have the authority to implement Section 12.1 language anyway.

Second, I am somewhat confused by the discussions on "Mandatory Advancement of Funds". I am not apposed to paying my bill one month in advance. However, if this changes the present voluntary system that has worked well I am apposed. The present system has been successful due to the outside oversight and accountability provided by the independent funding board working with Western. This program has provide needed operation and maintenance funds for the Parker-Davis Project. Could you clarify for me what Western is referring to?



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I am not going in to any further detail because I think these issues have been adequately covered in detail by comments by Don Allen, ED-3, Bob Lynch and many of the other customers. Many of us have concerns on these issues. I appreciate the meeting that was held on October 18th I think it helped to clarify some of the issues.

I appreciate the opportunity to comment and look forward to working with you further to develop appropriate language to extend the Parker-Davis Firm Electric Service Contracts.

Sincerely,

Terry Hinton
Town Manager

CC: Mr. Michael Haskaylo